

**GOV. BLAGOJEVICH'S BUDGET ADDRESS — FY 2004**  
**APRIL 9, 2003**

OUR STATE FACES A  
FIVE BILLION DOLLAR DEFICIT.

TO DAY -- I'M GOING TO GIVE YOU A BLUEPRINT FOR SOLVING THIS CRISIS.

IT WON'T BE EASY OR SIMPLE.

BUT YOU'RE ABOUT TO HEAR THE DETAILS, SO I HOPE YOU'RE ALL SITTING DOWN.

I'D LIKE TO WELCOME OUR CONSTITUTIONAL OFFICERS. LT. GOVERNOR PAT QUINN.  
ATTORNEY GENERAL LISA MADIGAN. COMPTROLLER DAN HYNES. TREASURER JUDY  
BARR TO PIN KA. AND SECRETARY OF STATE JESSE WHITE.

I'D ALSO LIKE TO RECOGNIZE THE DIRECTOR OF THE BUDGET, JOHN FILAN, AND HIS  
TALENTED AND HARDWORKING TEAM.

WHEN I CAME IN TO OFFICE MY ADMINISTRATION HAD TO COME TO GRIPS WITH THE  
SIZE OF THE STATE'S FISCAL PROBLEMS --

AN UNPRECEDENTED FIVE BILLION DOLLAR BUDGET DEFICIT.

OVER THE LAST FEW MONTHS JOHN FILAN HAS WORKED HARD TO WRAP HIS HANDS  
AROUND THIS BUDGET.

AND ONCE I'M DONE WITH THIS SPEECH TODAY, MANY OF YOU MAY WANT TO WRAP  
YOUR HANDS AROUND HIS NECK.

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BUT BEFORE I BEGIN, I'D LIKE TO ASK ALL OF US TO TAKE A MOMENT AND SAY A  
PRAYER FOR THE BRAVE MEN AND WOMEN OF OUR ARMED FORCES AT WAR IN IRAQ.

OUR PRAYERS GO OUT TO THEM AND TO THEIR LOVED ONES.

PLEASE JOIN ME NOW, FOR A MOMENT OF PRAYER.

OUR PRAYERS ALSO GO OUT TO THE INNOCENT CIVILIANS CAUGHT BETWEEN  
HOSTILITIES,

AND FOR OUR PRESIDENT, AS HE LEADS OUR COUNTRY DURING THIS TIME OF WAR.

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ILLINOIS FACES A FIVE BILLION DOLLAR BUDGET DEFICIT.

FIVE BILLION DOLLARS.

THE LARGEST IN OUR HISTORY.

THIS UNPRECEDENTED BUDGET DEFICIT IS THE RESULT OF SEVERAL THINGS.

STRUCTURAL CHALLENGES LIKE RISING HEALTH CARE COSTS, PARTICULARLY MEDICAID.

A TAX-STRUCTURE BASED ON AN INDUSTRIAL ECONOMY THAT HAS NOW BECOME A SERVICE ECONOMY.

AND AN ECONOMIC DOWNTURN THAT OUR STATE GOVERNMENT DIDN'T REACT TO QUICKLY ENOUGH -- EVEN THOUGH ALL THE SIGNALS WERE THERE.

IT'S A DEFICIT MADE WORSE BY MISMANAGEMENT, BY SHADY ACCOUNTING, BY RAMPANT OVERSPENDING.

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SOME PEOPLE SEE THIS HISTORIC BUDGET DEFICIT AS AN INSURMOUNTABLE HURDLE THAT THE ONLY WAY TO BALANCE THE BUDGET, IS TO EITHER RAISE TAXES ON WORKING FAMILIES,

SIGNIFICANTLY CUT SPENDING IN CRITICAL AREAS LIKE EDUCATION, HEALTH CARE AND PUBLIC SAFETY

OR EVEN WORSE, A COMBINATION OF BOTH.

WELL I HAVE A DIFFERENT ANSWER.

I SEE THIS BUDGET DEFICIT AS AN OPPORTUNITY.

AN OPPORTUNITY TO BRING ABOUT THE FUNDAMENTAL CHANGES THAT THE PEOPLE OF ILLINOIS DEMANDED LAST NOVEMBER.

AN OPPORTUNITY TO SHAKE UP A SYSTEM IN DESPERATE NEED OF REFORM.

AN OPPORTUNITY TO HAVE THE PEOPLE BELIEVE IN US AGAIN.

TODAY I AM PRESENTING TO THE GENERAL ASSEMBLY, AND TO THE PEOPLE OF ILLINOIS, A BALANCED BUDGET.

IF WE DO THIS RIGHT WE WILL DO MORE THAN JUST BALANCE THE BUDGET. WE WILL REGAIN THE TRUST AND THE CONFIDENCE OF THE PEOPLE.

THE BUDGET I'M PRESENTING TODAY ASKS FOR A LOT OF SHARED SACRIFICE.

BUT THIS IS NOT THE TIME TO ASK TAXPAYERS TO SACRIFICE BY BAILING OUT A SYSTEM THAT DESPERATELY NEEDS TO BE CHANGED.

AT THE SAME TIME WE MUST NOT SACRIFICE OUR COMMITMENT TO EDUCATING OUR CHILDREN, TO PROVIDING HEALTH CARE FOR THOSE WHO NEED IT, AND TO KEEP THE PUBLIC SAFE.

IF THE LEGISLATURE SENDS ME A BUDGET THAT RAISES THE INCOME TAX OR THE SALES TAX I WILL VETO IT.

ILLINOIS IS A LOW-INCOME TAX STATE AND I'M GOING TO KEEP IT THAT WAY.

IF THE LEGISLATURE SENDS ME A BUDGET THAT CUTS K-12 EDUCATION, HEALTH CARE OR PUBLIC SAFETY I WILL VETO THAT TOO.

WE WILL NOT BALANCE THE BUDGET BY SACRIFICING OUR VALUES.

INSTEAD, WE WILL BALANCE THE BUDGET BY ENDING BUSINESS AS USUAL.

IN THE LAST TWO BUDGET ADDRESSES, YOU WERE TOLD THAT THE BUDGET BEING PRESENTED TO YOU WAS A BALANCED BUDGET.

IN FACT, THOSE BUDGETS ONLY TOLD HALF THE STORY.

FOR DECADES THE STATE UNDERFUNDED ITS PENSION FUNDS. THE ACCUMULATED DEFICIT WILL COST THE STATE \$2 BILLION DOLLARS THIS YEAR ALONE.

YOU DIDN'T SEE THAT IN ANY PAST BUDGET.

MEDICAID COSTS WERE HIDDEN BEHIND QUESTIONABLE PROJECTIONS AND MYTHICAL SAVINGS.

AFTER THREE YEARS OF SHODDY ACCOUNTING, OUR MEDICAID DEFICIT IS ALMOST \$300 MILLION DOLLARS.

YOU DIDN'T SEE THAT IN ANY PAST BUDGET EITHER.

PREVIOUSLY, A \$200 MILLION DOLLAR SHORTFALL WAS COVERED UP BY IGNORING THE IMPACT OF INCREASED DEDUCTIONS ON STATE TAX REVENUES.

IT IS TIME FOR HONEST BUDGETING AND LONG-TERM PLANNING.

IN THE PAST, EACH BUDGET WAS DESIGNED TO GET FROM ONE FISCAL YEAR TO THE NEXT.

FROM NOW ON, OUR BUDGETS WILL BUILD THE FOUNDATION FOR LONG-TERM STRUCTURAL REFORM.

AND WE'LL NEED TO PLAN FOR A RAINY DAY. THINGS GO WRONG ALL THE TIME WHEN WE NEED INSURANCE.

THIS BUDGET MAKES A DOWN PAYMENT ON A FUND THAT CAN HELP US WHEN TIMES ARE HARD.

SPENDING USED TO BE ON AUTO PILOT. NO COST BENEFIT ANALYSIS WAS PERFORMED BEFORE TAXPAYER DOLLARS WERE SPENT -- AND ONCE PROGRAMS WERE IN PLACE -- THEY STAYED THERE.

NOT ANYMORE.

GOING FORWARD EVERY PROGRAM IS GOING TO BE ACCOUNTABLE -- NO MATTER HOW LONG IT'S BEEN AROUND.

IN THE LAST ELECTION THE VOTERS GAVE CONTROL OF THE LEGISLATURE AND THE GOVERNOR'S OFFICE TO DEMOCRATS.

AS A DEMOCRAT -- I'M HAPPY ABOUT THAT.

BUT I AM NOT THE DEMOCRATIC GOVERNOR OF ILLINOIS. I'M THE GOVERNOR OF ILLINOIS WHO HAPPENS ALSO TO BE A DEMOCRAT.

THE PROBLEMS AND CHALLENGES WE CONFRONT ARE WAY TOO BIG TO BE STUCK IN THAT OLD PARADIGM OF DEMOCRATS VS. REPUBLICANS.

TURNING THIS FISCAL CRISIS INTO THE OPPORTUNITY TO REGAIN THE PUBLIC CONFIDENCE MEANS ALL OF US WORKING TOGETHER.

BOTH CHAMBERS OF THE LEGISLATURE

BOTH SIDES OF THE AISLE

THE STAKES ARE TOO HIGH TO DO ANYTHING ELSE.

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TOUGH TIMES REQUIRE TOUGH CHOICES.

SO LET ME SAY AT THE OUTSET, THERE WILL BE SOME THINGS IN THIS BUDGET THAT YOU WON'T LIKE.

AND THEN AGAIN, THERE WILL BE SOME THINGS IN THIS BUDGET THAT YOU WON'T LIKE

SO LET'S START WITH THE THINGS IN THIS BUDGET THAT YOU WON'T LIKE

ACTUALLY, LET'S BEGIN BY SEEING HOW WE CAN DO MORE WITH LESS.

THIS IS AN UNPRECEDENTED TIME TO RE-THINK THE WAY GOVERNMENT WORKS.

FROM THE MOMENT I TOOK OFFICE MY TEAM HAS SCRUTINIZED HOW OUR STATE SPENDS MONEY.

WITHIN THREE SHORT MONTHS WE HAVE BEEN ABLE TO IDENTIFY OVER ONE AND A QUARTER BILLION DOLLARS IN CUTS AND REDUCTIONS WITHOUT AFFECTING FRONTLINE SERVICES.

THE FIRST STEP IS TO CUT THE WASTE THAT HAS CHEATED THE TAXPAYERS FOR FAR TOO LONG.

THE DEPARTMENT OF PUBLIC AID DOES NOT NEED TO EXPAND INTO NEW OFFICE SPACE, AT A COST OF \$600,000 DOLLARS PER YEAR, WHEN ITS STAFF SIZE HAS DECLINED BY 60 PEOPLE.

THE DEPARTMENT OF THE LOTTERY DOES NOT NEED CLASS AA OFFICE SPACE, IN THE STREETerville NEIGHBORHOOD, ONE OF THE MOST EXPENSIVE IN CHICAGO.

THE STATE OF ILLINOIS DOES NOT NEED TO PAY ITS 512 COMPUTER CONSULTANTS TWO TO THREE TIMES THE MARKET VALUE.

WHY SHOULD WE PAY OVER TWICE AS MUCH PER MINUTE TO USE A CELL PHONE THAN THE AVERAGE CONSUMER?

WHY SHOULD THE STATE PAY 20 PERCENT MORE FOR WINDSHIELD-WASHER FLUID THAN THE AVERAGE CONSUMER?

WHY SHOULD STATE AGENCIES SPEND MILLIONS OF DOLLARS ON NEW COMPUTERS WHEN SOFTWARE IS AVAILABLE TO PERFORM THE SAME FUNCTIONS FOR 20 CENTS ON THE DOLLAR?

THE STATE POLICE DOES NOT NEED 216 MORE CARS THAN OFFICERS.

AND THE DEPARTMENT OF CORRECTIONS CERTAINLY DOES NOT NEED ITS OWN PLANE. WE WILL GRIND THAT PLANE AND SAVE THE STATE \$800,000 DOLLARS.

ADMINISTRATIVE CUTS ALONE WILL SAVE THIS STATE OVER \$175 MILLION DOLLARS.

THE REMAINING \$1.1 BILLION DOLLARS WILL COME BY DOING MORE WITH LESS.

THE KIND OF WASTE I JUST DESCRIBED MAY BE HARD TO FIND, BUT IT'S EASY TO CUT.

BUT MAKING PROGRAMS WORK MORE EFFICIENTLY IS HARDER.

EXTRA OPERATING HOURS, UNDER-UTILIZED RECREATIONAL PROGRAMS, SEMI-ANNUAL CONVENTIONS, NEW EQUIPMENT, AND TRAVEL ARE THE SORTS OF ITEMS THAT CAN BE CUT FROM A DEPARTMENT'S BUDGET, WITHOUT AFFECTING ITS PROVISION OF SERVICES.

CAN SOMEONE MAKE A COMPELLING ARGUMENT FOR JUST ABOUT EVERY EXISTING PROGRAM?

PERHAPS.

BUT WHEN TIMES ARE THIS HARD YOU HAVE TO MAKE CHOICES. LEADERSHIP IS ALL ABOUT SETTING PRIORITIES.

THE CHOICE I MADE WAS TO PROTECT THE HONEST, HARDWORKING PERSON WHO GOES TO WORK AND PAYS TAXES, TO PROTECT OUR INVESTMENTS IN EDUCATION, HEALTH CARE AND PUBLIC SAFETY, AND TO PROTECT THE CONSUMER.

I'VE DIRECTED EACH AGENCY AND DEPARTMENT, TO CUT ADMINISTRATIVE COSTS BY 10% ON AVERAGE.

IN ADDITION, OPERATIONAL RESERVES WERE REDUCED BY 8%.

GRANTS AND AWARDS WILL BE REDUCED BY 5%, EXCEPT IN THE CRITICAL AREAS OF K-12 EDUCATION, HEALTH CARE, AND PUBLIC SAFETY.

IF YOU TOTAL AGENCY CONSOLIDATIONS, APPROPRIATION REDUCTIONS AND OTHER COST SAVING MEASURES, ALONG WITH SPENDING CUTS, THE TOTAL SAVINGS TO TAXPAYERS IS ONE AND A QUARTER BILLION DOLLARS, FOR THE LATTER HALF OF FISCAL YEAR 2003 AND FOR ALL OF FISCAL YEAR 2004.

LET ME REPEAT --

THIS IS A BUDGET WHERE WE'VE MADE DIFFICULT CHOICES.

THESE CHOICES HAVE ALLOWED US TO BALANCE THE BUDGET.

THE CUTS BY DEPARTMENT ARE AS FOLLOWS:

THE DEPARTMENT OF AGING. \$624 MILLION DOLLARS IN CUTS.

THIS REFLECTS A REDUCTION IN ADMINISTRATIVE COSTS AND A REDUCTION OF PERSONNEL FROM 126 TO 114 FOR A SAVINGS OF \$850,000 DOLLARS.

THE DEPARTMENT WILL CUT \$5 MILLION DOLLARS IN GRANTS, DUE TO LOWER THAN PROJECTED CASELOADS IN THE COMMUNITY CARE PROGRAM.

THESE CUTS WILL HELP US COVER THE GROWING COST OF PAYING FOR HOME HEALTHCARE WORKERS AND IT MEANS THAT INSTEAD OF INCREASING BY \$13.6 MILLION DOLLARS, THE DEPARTMENT OF AGING'S BUDGET WILL ONLY INCREASE BY \$7.3 MILLION DOLLARS.

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THE DEPARTMENT OF AGRICULTURE

\$148 MILLION DOLLARS.

ADMINISTRATIVE SPENDING WILL BE REDUCED BY \$3.1 MILLION DOLLARS. THESE SAVINGS WILL BE ACHIEVED THROUGH PERSONNEL REDUCTIONS, AND REDUCED SPENDING ON ELECTRONIC DATA PROCESSING AND CONTRACTUAL SERVICES.

AN ADDITIONAL \$5.5 MILLION DOLLARS IN GRANTS WILL BE CUT.

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THE DEPARTMENT OF CENTRAL MANAGEMENT SERVICES.

\$902 MILLION DOLLARS.

PERSONNEL WILL BE REDUCED BY 177 POSITIONS, AND NON-CRITICAL REPAIR AND MAINTENANCE PROJECTS WILL BE DELAYED.

UPGRADES AND REPAIRS AT THE THOMPSON CENTER AND BILANDIC BUILDING WILL HAVE TO WAIT -- SAVING THE STATE \$444,000 DOLLARS IN GENERAL REVENUE FUNDS.

AND CMS'S EFFINGHAM REGIONAL OFFICE WILL NOT GET A NEW ROOF AS SCHEDULED, SAVING A FURTHER \$450,000 DOLLARS.

SHOULD IT RAIN IN EFFINGHAM, WE ARE CONFIDENT THE EXISTING ROOF WILL SUFFICE.

CONSOLIDATION OF EDUCATION TECHNOLOGY PROGRAMS TO CMS'S TECHNOLOGY OFFICE, WILL PROVIDE SAVINGS AND THE KNOW HOW, TO MAKE TECHNOLOGY IMPROVEMENTS AT ALL LEVELS OF EDUCATION.

THESE CUTS WILL HELP US DEAL WITH THE SKYROCKETING EXPENSE OF PAYING FOR EMPLOYEE HEALTHCARE.

ALTHOUGH THE COSTS OF PROVIDING HEALTHCARE FOR STATE EMPLOYEES IS GOING UP AN ADDITIONAL \$385 MILLION DOLLARS, OUR NEGOTIATIONS DROVE DOWN

THE PRICE BY \$75 MILLION DOLLARS FROM WHAT THE PREVIOUS ADMINISTRATION HAD EXPECTED TO PAY.

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THE DEPARTMENT OF CHILDREN AND FAMILY SERVICES.

\$48.9 MILLION DOLLARS.

SAVINGS COME FROM A PERSONNEL REDUCTION OF 253, AND REDUCTIONS IN EQUIPMENT PURCHASES, LEASES, AND GRANTS.

BUT LET ME MAKE THIS CLEAR, WE ARE GOING TO TAKE THE MONEY SAVED BY ELIMINATING INEFFICIENCY, AND SEND IT RIGHT BACK INTO THE AGENCY TO PROTECT THE WELFARE OF OUR CHILDREN.

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THE DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY. \$24.3 MILLION DOLLARS.

THESE SAVINGS WILL BE ACHIEVED BY REDUCING 28 ADMINISTRATIVE POSITIONS, AS WELL AS MAKING CUTS IN TRAVEL, EQUIPMENT, TELECOMMUNICATIONS, AND DELAYING OR CANCELING PERMANENT IMPROVEMENTS.

TELECOMMUNICATION SAVINGS WILL INCLUDE \$40,000 DOLLARS, INCLUDING THE ELIMINATION OF 100 CELL PHONES, AND \$100,000 DOLLARS FROM STORING E-MAIL AND OTHER ELECTRONIC FILES AT CMS.

GRANTS WILL BE CUT BY \$24.1 MILLION DOLLARS.

AND THE DEPARTMENT WILL ALSO MERGE EXISTING WORKFORCE TRAINING PROGRAMS, TO AVOID DUPLICATE SERVICES AND ADMINISTRATION--SAVING THE STATE \$16 MILLION DOLLARS.

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THE DEPARTMENT OF CORRECTIONS.

\$69.7 MILLION DOLLARS IN REDUCTIONS.

ADMINISTRATIVE SPENDING WILL BE STREAMLINED BY ELIMINATING FIVE LAYERS OF BUREAUCRACY.

WE WILL HAVE CUT THE BUREAUCRACY BY 1,273 POSITIONS SINCE THE BEGINNING OF FISCAL YEAR 2003, AND SAVE \$64 MILLION DOLLARS. CORRECTIONS WILL ALSO SUSPEND THE CONSTRUCTION OF PRISONS IN HOPKINS PARK, SAVING \$76.3 MILLION DOLLARS. AND WE WILL NOT OPEN THREE OTHER PRISONS.



IN FACT, WE ARE IN THE MIDDLE OF NEGOTIATIONS THAT WOULD REENT THEM TO THE FEDERAL GOVERNMENT.

AND OF COURSE, WE'RE GETTING RID OF THAT PLAN.

THE MONEY WE SAVE HERE, WILL BE REINVESTED TO HELP PAY FOR NEW MEASURES TO KEEP THE PEOPLE SAFE. THIS INCLUDES REOPENING SHERIDAN PRISON AS A NATIONAL MODEL DRUG OFFENDER CENTER, AND LAUNCHING OPERATION SPOTLIGHT TO KEEP AN EYE ON REPEAT OFFENDERS.

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THE DEPARTMENT OF FINANCIAL INSTITUTIONS.

\$1.7 MILLION DOLLARS.

ADMINISTRATIVE SPENDING WILL BE CUT BY \$741,000 DOLLARS, THROUGH HEADCOUNT REDUCTIONS FROM EARLY RETIREMENTS AND THE HIRING FREEZE, AS WELL AS CUTS IN CONTRACTS, COMMODITIES, PRINTING, EQUIPMENT AND ELECTRONIC DATA PROCESSING.

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THE DEPARTMENT OF HUMAN RIGHTS.

\$941,400 DOLLARS, REFLECTING A REDUCTION OF \$619,000 DOLLARS IN ADMINISTRATIVE COSTS THAT INCLUDES A REDUCTION IN PERSONNEL.

THE DEPARTMENT HAS ALSO ELIMINATED ITS PRESS OFFICE.

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THE DEPARTMENT OF HUMAN SERVICES.

\$73.6 MILLION DOLLARS.

ADMINISTRATIVE CUTS TOTAL \$364 MILLION DOLLARS, INCLUDING SIGNIFICANT REDUCTIONS IN PERSONNEL.

ADDITIONAL CUTS INCLUDE \$9.1 MILLION DOLLARS IN OPERATIONS FOR EQUIPMENT, CONTRACTUAL SERVICES, TELECOMMUNICATIONS, AND TRAVEL.

\$167 MILLION DOLLARS WILL BE CUT BY ELIMINATING EXCESS BED CAPACITY.

CUTTING THOSE 120 BEDS WILL REDUCE DESIRED FLEXIBILITY, BUT WILL NOT AFFECT THE DELIVERY OF HEALTH SERVICES, AS THE AGENCY WILL CONTINUE TO MAINTAIN THE REQUIRED 2.4 RESIDENT TO STAFF RATIO.

HUMAN SERVICES HAS 216 LOCAL OFFICES AND WAREHOUSE LEASES. 216

WE'RE CANCELING AND CONSOLIDATING 40 OF THEM, SAVING  
\$5.4 MILLION DOLLARS IN LEASES AND UTILITIES ALONE.

IN ONE INSTANCE, HUMAN SERVICES HAD THREE OFFICES LESS THAN HALF A MILE  
FROM COMISKEY - WELL, ACTUALLY, IT'S CELLULAR - AH, COMSIKEY PARK. THOSE  
THREE OFFICES WERE CONSOLIDATED INTO ONE.

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DEPARTMENT OF INSURANCE.

\$4 MILLION DOLLARS.

IN ADDITION TO PERSONNEL REDUCTIONS, THE AGENCY WILL REDUCE SPENDING  
FOR TRAVEL, EQUIPMENT PURCHASES AND CONTRACTUAL SERVICES.

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DEPARTMENT OF LABOR.

\$1.1 MILLION DOLLARS.

A SIGNIFICANT PORTION OF CUTS WILL RESULT FROM PERSONNEL REDUCTION.

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DEPARTMENT OF MILITARY AFFAIRS.

\$2.4 MILLION DOLLARS IN REDUCTIONS.

THESE CUTS RESULT FROM LIMITING OR ELIMINATING SPENDING ON EQUIPMENT,  
PRINTING AND ELECTRONIC DATA PROCESSING PURCHASES.

ALSO, THE DEPARTMENT WILL PUT MORE OF AN EMPHASIS ON REPAIRING  
EQUIPMENT INSTEAD OF PURCHASING IT NEW.

HOWEVER, IN ORDER TO PROVIDE ECONOMIC RELIEF TO THE FAMILIES OF FOUR  
SOLDIERS, CALLED UP TO ACTIVE DUTY IN IRAQ, THE DEPARTMENT'S OVERALL  
BUDGET HAS INCREASED BY A TOTAL OF \$8.7 MILLION DOLLARS. \$5 MILLION  
DOLLARS OF WHICH IS BEING DEDICATED TO THE FAMILIES OF ILLINOIS RESIDENTS  
NOW ON ACTIVE DUTY.

NEXT YEAR'S TAX FORMS INCLUDE A CHECK-OFF BOX TO HELP THE FAMILIES OF FOUR  
SOLDIERS.

WE ALL KNOW ABOUT THE RISKS THEY'RE TAKING AND THE SACRIFICES THEY'RE MAKING TO SERVE OUR NATION IN A TIME OF WAR.

IF WE CAN MAKE THEIR LIVES A LITTLE EASIER, IF WE CAN HELP PUT THEIR MINDS AT EASE, AS CITIZENS, IT IS OUR DUTY TO DO SO. WHEN YOU FILL OUT YOUR TAX FORMS NEXT YEAR, PLEASE KEEP OUR SOLDIERS IN MIND.

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DEPARTMENT OF NATURAL RESOURCES.

\$204 MILLION DOLLARS.

THIS WILL INCLUDE CUTS OF \$102 MILLION DOLLARS IN ADMINISTRATIVE COSTS AND A PERSONNEL REDUCTION OF 126 REDUCTIONS OF \$9 MILLION DOLLARS IN GRANTS, AND \$6 MILLION DOLLARS IN WATERWAY IMPROVEMENTS.

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DEPARTMENT OF PROFESSIONAL REGULATION.

\$3.6 MILLION DOLLARS.

THE DEPARTMENT WILL ELIMINATE 26 POSITIONS AS WELL AS CANCER ITS ACCESS TO ONLINE LAW BOOKS.

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DEPARTMENT OF PUBLIC AID.

\$492 MILLION DOLLARS IN CUTS.

THE DEPARTMENT OF PUBLIC AID'S BUDGET REFLECTS OPERATIONAL CUTS INCLUDING REDUCING PERSONNEL FROM 2,794 TO 2,521. THIS WILL SAVE \$29.1 MILLION DOLLARS.

THE DEPARTMENT WILL ALSO CLOSE AND CONSOLIDATE SIX OFFICES WHICH WILL SAVE \$1.2 MILLION DOLLARS.

BECAUSE OF MEDICAID --, PUBLIC AID SPENDING WILL INCREASE BY \$689 MILLION DOLLARS. ALTHOUGH THIS IS A HUGE JUMP, IT REPRESENTS THE FIRST HONEST ACCOUNTING OF MEDICAID SPENDING IN YEARS.

THE INCREASE WILL ALLOW US TO FINALLY BEGIN PAYING HOSPITALS AND NURSING HOMES, WITHIN 60 DAYS OR LESS.

IF THE STATE EXPECTS A SERVICE TO BE PROVIDED, WE SHOULD PAY FOR IT WITHIN A REASONABLE AMOUNT OF TIME.

AND YOU SHOULD NOTE; -- WE ARE ALSO NOT CUTTING PAYMENT RATES FOR HOSPITALS, NURSING HOMES OR MEDICAL PROVIDERS. THE HEALTH OF OUR CITIZENS AND THE HEALTH OF THE FACILITIES THAT SERVE THEM IS TOO IMPORTANT TO JEOPARDIZE.

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DEPARTMENT OF PUBLIC HEALTH.

\$24 MILLION DOLLARS.

MUCH OF THAT COMES FROM A PERSONNEL REDUCTION OF 114 -- A SAVINGS \$2 MILLION DOLLARS.

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THE DEPARTMENT OF REVENUE:

\$120 MILLION DOLLARS.

MUCH OF THAT AMOUNT, \$108 MILLION DOLLARS, IS IN GRANT REDUCTIONS.

THE DEPARTMENT OF THE LOTTERY, THE ILLINOIS RACING BOARD, AND THE LIQUOR CONTROL COMMISSION, WILL BE CONSOLIDATED WITH THE DEPARTMENT OF REVENUE SAVING AN ADDITIONAL \$2.1 MILLION DOLLARS.

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STATE POLICE

\$39.1 MILLION DOLLARS WILL BE SAVED AND REINVESTED IN PUBLIC SAFETY.

\$8.4 MILLION DOLLARS OF THOSE CUTS WILL BE ACHIEVED THROUGH EARLY-RETIREMENT AND A TOTAL PERSONNEL REDUCTION OF 206

WE WILL ALSO SAVE OVER \$20 MILLION DOLLARS BY FORGOING NEW PURCHASES THAT AREN'T ESSENTIAL.

THESE REDUCTIONS WILL NOT IMPACT PUBLIC SAFETY. THEY WILL NOT REDUCE PATROLS ON OUR HIGHWAYS OR OUR STREETS.

THESE REDUCTIONS WILL BALANCE OUT THE COST OF MORE AGGRESSIVE CRIME FIGHTING INITIATIVES, INCLUDING OUR NEW CRACKDOWN ON CLUB DRUGS, LIKE ECSTASY.

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DEPARTMENT OF TRANSPORTATION --- \$44.5 MILLION DOLLARS.

SPENDING REDUCTIONS INCLUDE NOT REPLACING 115 EARLY RETIREMENT POSITIONS IN ADMINISTRATION AND PERSONNEL.

THERE WILL ALSO BE A REDUCTION OF 24 POSITIONS, THROUGH REORGANIZATION AND REALLOCATION OF EXISTING STAFF.

THERE WILL BE NO LAYOFFS OF CURRENT EMPLOYEES. NO PROJECTS WILL BE CANCELED FROM THE ROAD PROGRAM. HOWEVER, THERE WILL BE SIGNIFICANT DEFERRALS.

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DEPARTMENT OF VETERAN'S AFFAIRS.

\$61 MILLION DOLLARS IN CUTS.

\$1.2 MILLION DOLLARS IN SAVINGS WILL BE ACHIEVED BY REDUCING STAFFING LEVELS, AND CUTTING OTHER EXPENSES.

BUT LET ME MAKE THIS  
CLEAR ----

WE ARE NOT CUTTING ANY PROGRAMS OUR VETERANS RELY UPON. WE WILL NOT TURN OUR BACKS ON THE PEOPLE WHO HAVE RISKED THEIR LIVES TO DEFEND OURS.

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THE OFFICE OF BANKS AND REAL ESTATE

\$63 MILLION DOLLARS.

ADMINISTRATIVE SPENDING WILL BE REDUCED BY \$2.4 MILLION DOLLARS.

THIS WILL BE ACHIEVED THROUGH A PERSONNEL REDUCTION OF 18 POSITIONS — SUBSTANTIALLY REDUCED TRAVEL EXPENDITURES — AND CUTBACKS IN EQUIPMENT, ELECTRONIC DATA PROCESSING, AND CONTRACTUAL SERVICES.

THE OFFICE WILL ALSO DOWN SIZE THE FINANCIAL LITERACY PROJECT.

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HISTORIC PRESERVATION. \$41 MILLION DOLLARS IN CUTS.

SAVINGS COME FROM ADMINISTRATIVE REDUCTIONS. NO HISTORIC SITES WILL BE CLOSED.

FUNDING FOR THE LINCOLN LIBRARY WILL REMAIN AT LAST YEAR'S LEVEL, BUT IT WILL NO LONGER BE CONSUMED WITH SALARIES.

THE FACT THAT THE LINCOLN LIBRARY HAS BEEN SEEN AS A PLAYGROUND FOR PATRONAGE IS SIMPLY UNACCEPTABLE. EVERY PENNY SHOULD BE USED TO PROMOTE AN DENHANCE ABRAHAM LINCOLN'S LEGACY.

HE IS ILLINOIS' GIFT TO THE WORLD AND THE THIS PRESIDENTIAL LIBRARY SHOULD EMBODY ALL HE STOOD FOR.

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ENVIRONMENTAL PROTECTION.

\$37.4 MILLION DOLLARS.

THIS AGENCY WILL NOW COVER ITS OWN COSTS.

FEES — PERMITS — AND PENALTIES -- WILL FUND THE EXPENSE OF CLEANING UP AFTER POLLUTERS.

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THE OFFICE OF THE STATE FIRE MARSHAL. \$3.1 MILLION DOLLARS.

THESE SAVINGS WILL BE ACHIEVED IN LARGE PART BY REDUCING ADMINISTRATIVE PERSONNEL BY 19.

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THE DEPARTMENT OF NUCLEAR SAFETY. \$42 MILLION DOLLARS.

WHEN THE DEPARTMENT IS CONSOLIDATED INTO THE ILLINOIS EMERGENCY MANAGEMENT AGENCY — WE'LL SAVE EVEN MORE.

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ILLINOIS EMERGENCY MANAGEMENT AGENCY.

\$1.4 MILLION DOLLARS IN CUTS.

THAT MONEY WILL BE REINVESTED — INTO A NEW PROGRAM TO PROVIDE STATE-OF-THE-ART PROTECTION EQUIPMENT — TO OUR FIRST RESPONDERS.

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THE DEPARTMENT OF EMPLOYMENT SECURITY BUDGET WILL REMAIN AT LAST YEAR'S LEVEL, BUT ITS WORKFORCE DEVELOPMENT PROGRAMS WILL BE TRANSFERRED TO THE DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY.

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THE CAPITAL DEVELOPMENT BOARD. \$246 MILLION DOLLARS.

THE MAJORITY OF THESE CUTS COME FROM THE SUSPENSION OF THE CAPITAL PROGRAM FOR STATE FACILITIES, AND MOVING CAPITAL PLANNING RESPONSIBILITIES TO THE BUDGET OFFICE.

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THE ILLINOIS COMMERCE COMMISSION -- \$11.7 MILLION DOLLARS --- MAINLY IN ADMINISTRATIVE CUTS.

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THE ILLINOIS ARTS COUNCIL: \$1.9 MILLION DOLLARS

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McPIER: \$5 MILLION DOLLARS.

THIS IS A CUT IN THE SUBSIDY GIVEN BY THE STATE TO McPIER -- EVERY YEAR. THESE FUNDS ARE GENERALLY USED TO COVER McPIER'S UTILITY COSTS.

IT'S NOT A CUT WE'D LIKE TO MAKE -- BUT IN THESE DIFFICULT TIMES - IT'S A CUT WE HAVE TO MAKE

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I COULD GO ON -- AGENCY BY AGENCY -- FUNCTION BY FUNCTION -- BUT I PROMISED I'D CUT WASTE, SO I WON'T WASTE YOUR TIME.

THE REST OF THE BOARDS AND AGENCIES WILL BE CUT \$7.3 MILLION DOLLARS -- AND ALL OF THE SPECIFIC CUTS ARE AVAILABLE IN OUR BUDGET BOOKS.

AS YOU CAN SEE -- MANY DEPARTMENTS HAVE FOUND THAT ONE OF THE BEST WAYS TO DO MORE WITH LESS -- IS TO REDUCE STAFFING LEVELS.

A DEPARTMENT THAT GETS THE JOB DONE WITH FEWER PEOPLE -- IS A MORE PRODUCTIVE DEPARTMENT -- AND OPERATES MORE LIKE A BUSINESS.

IN THE PREVIOUS ADMINISTRATION, IT TOOK 63,000 EMPLOYEES TO SERVE THE PEOPLE. IN FISCAL YEAR '04 -- WE'LL DO A BETTER JOB WITH 63,000 -- THAT'S 6000 FEWER -- AND THE LOWEST HEAD COUNT IN STATE GOVERNMENT SINCE 1991.

LESS GOVERNMENT -- MORE SERVICE.

WE ARE SEIZING THE OPPORTUNITY PRESENTED BY ATTRITION AND EARLY RETIREMENT.

THE PREVIOUS ADMINISTRATION HAD PLANNED TO REPLACE HALF OF THOSE EMPLOYEES. WE BELIEVE WE CAN DO BETTER.

OF POSITIONS LEFT OPEN DUE TO EARLY RETIREMENTS — STATE EXECUTIVE AGENCIES WILL LIMIT THEMSELVES TO REHIRING ONLY 29% IF THE SALARIES ARE PAID OUT OF THE GENERAL REVENUE FUND — AND 32% OVERALL.

FRONT-LINE EMPLOYEES — THOSE WHO WORK DIRECTLY WITH THE PUBLIC — WILL BE REPLACED IF THEY RETIRE.

BUT IF WE OTHERWISE REPLACE JUST ONE IN THREE OF THOSE NON-FRONTLINE EMPLOYEES — WE CAN SAVE ALMOST \$60 MILLION DOLLARS THIS YEAR ALONE.

SEVERAL SMALLER STATE AGENCIES WILL NOW SHARE STAFF AND OFFICE SPACE — IN BOTH SPRINGFIELD AND CHICAGO.

THESE NEW SHARED SERVICE CENTERS WILL LET EIGHT DIFFERENT AGENCIES — GET BY WITH: ONE FAX — ONE COPIER — AND A WHOLE LOT LESS THAN BEFORE.

THIS IS WHAT IT MEANS TO DO MORE WITH LESS.

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SPEAKING OF DOING MORE WITH LESS -- ON THE SUBJECT OF BOARDS AND COMMISSIONS -- THIS IS CERTAINLY ONE AREA THE PUBLIC WOULD LIKE TO DO MORE WITH — AND SEE LESS OF.

ON FEBRUARY 27 — I ANNOUNCED THAT I WOULD STREAMLINE THE NUMBER OF THE STATE'S BOARDS AND COMMISSIONS — CUTTING BACK THEIR SPENDING BY 60%.

LESS MEANS FEWER MEMBERS — FEWER DOLLARS — AND A LOT MORE ACCOUNTABILITY.

THIS BUDGET ELIMINATES 11 BOARDS WHOSE FUNCTIONS WERE REDUNDANT — AND REDUCES THE NUMBER OF MEMBERS ON MANY OTHERS.

FOR EXAMPLE:

THE WATER RESOURCES ADVISORY COUNCIL IS A BOARD DOING WORK THAT IS ALREADY UNDER THE PURVIEW OF OTHER COMMISSIONS AND DEPARTMENTS.

THE MINING BOARD AND THE MINERS' EXAMINING BOARD — WILL BE CONSOLIDATED.



THE EDUCATIONAL LABOR RELATIONS BOARD— WILL BE MERGED WITH THE ILLINOIS LABOR RELATIONS BOARD.

AND A FINALE EXAMPLE IS THEN ECROPSY SERVICE TO THE CORONERS ADVISORY BOARD.

BY EXECUTIVE ORDER — I HEREBY PRONOUNCE THAT BOARD DEAD.

BY CONSOLIDATING BOARDS— WE ARE SENDING A STRONG MESSAGE TO THE BUREAUCRATS — IT'S TIME TO GET A REAL JOB

AND NO MORE DOUBLE-DIPPING. TAKE THE POLLUTION CONTROL BOARD— FOR EXAMPLE. THE DAYS OF RECEIVING \$99,000 DOLLARS A YEAR — FOR LESS THAN PART-TIME WORK — ARE OVER.

IF YOU ARE HOLDING A FULL-TIME JOB SOMEWHERE ELSE— HOW CAN YOU DO FULL TIME WORK FOR US?

THIS IS WHAT THE VOTERS WERE TALKING ABOUT IN NOVEMBER.

GOING FORWARD— IF YOU WANT TO BE A MEMBER OF A FULL-TIME BOARD— YOU ARE REQUIRED TO WORK FULL-TIME THAT MEANS FIVE DAYS A WEEK --- FULL TIME.

AND MEMBERS OF BOARDS LIKE THE POLLUTION CONTROL BOARD WILL BE PROHIBITED FROM EARNING OUTSIDE INCOME.

CHANGE MEANS THE TAXPAYERS ARE FINALLY GOING TO GET THEIR MONEY'S WORTH.

WE ARE ALSO PUTTING AN END TO STIPENDS FOR BOARD MEMBERS - AND DRAMATICALLY REDUCING PER-DIEMS.

AND WE ARE HOLDING THE LINE ON PAY INCREASES FOR MANAGERS IN STATE GOVERNMENT.

IF YOU ARE NOT PROTECTED BY A UNION CONTRACT - WE CANNOT OFFER YOU A RAISE THIS YEAR.

IN ADDITION — FOR MANAGERIAL EMPLOYEES, WE CAN NO LONGER HAVE THE STATE PAY FOR BOTH THE EMPLOYER'S - AND EMPLOYEES — SHARE OF THE PENSION CONTRIBUTION.

WE WILL CONTINUE TO PAY OUR SHARE— BUT WE CAN NO LONGER AFFORD BOTH.

I KNOW THAT'S NOT GOOD NEWS FOR MANY HARDWORKING -DEDICATED EMPLOYEES — BUT WE CANNOT AFFORD THE \$35 MILLION DOLLARS IT WOULD COST TO PAY FOR IT.

AND OF COURSE— THAT APPLIES TO ME, MY CABINET, MY DEPARTMENT HEADS, AND MY STAFF AS WELL.

TURNING DOWN STATE EMPLOYEES' COST OF LIVING INCREASES IS DIFFICULT.

MANY OF THE DECISIONS TAKEN IN DEVELOPING THIS BUDGET WERE DIFFICULT. BUT I HAVE TO TELL YOU — I WAS SURPRISED AT THE NUMBER OF FEASIBLE CHOICES.

IT SEEMS OBVIOUS THAT THE DEPARTMENT OF REVENUE— SHOULD INCLUDE ALL AGENCIES WHOSE MAIN PURPOSE IS REVENUE GENERATION.

THE LOTTERY — THE RACING BOARD— AND THE LIQUOR CONTROL COMMISSION — WILL NOW BE MOVED TO THE DEPARTMENT OF REVENUE.

THIS WILL INITIALLY SAVE \$2.1 MILLION DOLLARS AT THE OUTSET — BUT MORE IMPORTANTLY — IT WILL ULTIMATELY MAKE THOSE AGENCIES MUCH MORE EFFICIENT — AND COLLECT MORE MONEY.

FRANKLY -- I DON'T KNOW WHY THEY DIDN'T DO THIS BEFORE.

IN ADDITION, WE ARE ALSO:

MERGING THE POLLUTION CONTROL BOARD INTO THE ENVIRONMENTAL PROTECTION AGENCY.

MERGING THE TWO WILL ALLOW US TO SAVE MONEY ON ADMINISTRATIVE COSTS WITHOUT COMPROMISING THE BOARD'S INDEPENDENCE.

MOVING THE ENVIRONMENTAL TRUST FUND COMMISSION INTO THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY.

CONSOLIDATING THE STATEWIDE BONDING AUTHORITIES.

MERGING THE DEPARTMENT OF NUCLEAR SAFETY — INTO THE ILLINOIS EMERGENCY MANAGEMENT AGENCY,

AND CONSOLIDATING ILLINOIS' 30 SEPARATE FRAGMENTED JOB TRAINING PROGRAMS ACROSS STATE AGENCIES INTO ONE PROGRAM: -- THE 21ST CENTURY JOBS TRAINING INITIATIVE.

THIS WILL SAVE \$16 MILLION PER YEAR. THE PROGRAM WILL BE RUN BY THE NEW ILLINOIS DEPARTMENT OF ECONOMIC OPPORTUNITY — WHOSE MISSION IS TO CREATE JOBS — AND EXPAND ECONOMIC ACTIVITY — THROUGHOUT ILLINOIS.

RIGHT NOW — IF YOU HAVE TWO AGENCIES DOING RELATED WORK — YOU HAVE TO PAY TWO DIFFERENT SPECIALISTS.

YOU HAVE TO HAVE TWO TYPES OF LETTERHEAD. TWO SETS OF OFFICES.  
TOO MUCH OF TOO MUCH .....IF YOU ASK ME

MY BUDGET CALLS FOR SAVING AN ADDITIONAL \$91 MILLION DOLLARS — BY  
CONSOLIDATING THE PURCHASING OF:

\* SUPPLIES

\* COMMODITIES

\* EQUIPMENT AND IMPROVING PROCUREMENT PROCEDURES.

WE CAN ALSO SAVE ANOTHER \$20 MILLION DOLLARS BY USING INFORMATION  
TECHNOLOGY MORE EFFECTIVELY.

NOW, I'VE TALKED A LOT ABOUT HOW OUR AGENCIES CAN BE MORE EFFICIENT --  
BUT WE HAVE TO LEAD BY EXAMPLE.

I HAVE CUT BACK EXPENDITURES IN THE GOVERNOR'S OFFICE BY 15%.

AND LT. GOVERNOR PAT QUINN — HAS PUT FORTH A PROPOSAL TO CUT OVER 15% OF  
HIS BUDGET.

BUT THE TRUTH OF THE MATTER IS — WE AREN'T GOING TO BALANCE THIS BUDGET  
WITHOUT YOU — THE LEGISLATORS.

WHEN I TOOK OFFICE — I PLACED ALL MEMBER INITIATIVES ON HOLD. WE ARE  
REVIEWING EVERY SINGLE PROJECT. MANY WILL BE APPROVED, BUT NOT ALL.

IF THE INITIATIVE FURTHERS EDUCATION — HEALTH CARE — PUBLIC SAFETY OR  
ECONOMIC DEVELOPMENT — WE'RE FOR IT.

IF IT DOESN'T — WE'RE NOT.

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AT THIS POINT — I'VE LAID OUT MY SPENDING PRIORITIES LOUD AND CLEAR:  
EDUCATION — HEALTH CARE — PUBLIC SAFETY.

IN CUTTING WASTE — WE MUST ALSO LOOK AT OUR CAPITAL PROGRAM.

MOST STATE BUILDING PROJECTS ARE JUSTIFIED. ROADS — SCHOOLS — AND  
HOSPITALS — ARE NECESSITIES.

AND ANY COMMITMENTS THIS GOVERNMENT HAS MADE — TO BUILD OR REPAIR  
VITAL FACILITIES — WE WILL CONTINUE.

BUT CAPITAL EXPENDITURES — FOR PROJECTS THAT DO NOT AFFECT CRITICAL  
AREAS — WILL HAVE TO WAIT.

EVERYONE MUST SACRIFICE

MY BUDGET CALLS FOR A CAPITAL PROGRAM OF \$10.7 BILLION — DOWN FROM \$12.3 BILLION.

IN ADDITION — WE'VE CURBED NEW BONDING AUTHORITY FOR THE STATE'S GENERAL OBLIGATION BOND PROGRAM BACK TO \$1.5 BILLION NEXT YEAR. THAT'S A SAVINGS OF \$500 MILLION IN CAPITAL FUNDING.

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AND IN THE CASE OF PKEEP — I WILL NOT SIGN OFF ON REMODELING STATE BUILDINGS UNLESS IT'S A MATTER OF SAFETY — OR CRITICAL MAINTENANCE.

NEW SPENDING ON UNIVERSITY FACILITIES WILL ALSO BE LIMITED.

I AM PRESERVING COMMUNITY COLLEGE CAPITAL FUNDING AT \$50 MILLION — FULFILLING THE STATE'S COMMITMENT TO TURN TEMPORARY BUILDINGS INTO PERMANENT FACILITIES.

THE FOLLOWING OTHER PROJECTS MUST ALSO GO FORWARD.

LAST YEAR — \$500 MILLION WAS ALLOTTED FOR SCHOOL CONSTRUCTION.

\$500 MILLION WILL BE ALLOTTED FOR SCHOOL CONSTRUCTION THIS YEAR TOO.

ANOTHER CRITICAL COMMITMENT IS ROADS.

THE ROAD FUND WILL CONTINUE TO PAY \$227 MILLION — A PARTIAL SHARE OF SECRETARY OF STATE AND STATE POLICE COSTS — ASSOCIATED WITH KEEPING OUR ROADS SAFE. THAT'S THE SAME AMOUNT AS LAST YEAR.

SOME \$1.7 BILLION WILL GO TOWARD THE ROAD PROGRAM — \$50 MILLION LESS IN TRANSPORTATION BONDS THAN LAST YEAR. THAT'S A TOTAL ROAD PROGRAM OF \$47 BILLION — MORE THAN ENOUGH TO KEEP OUR PROJECTS MOVING FORWARD.

WE ARE ALSO USING THE CAPITAL-SPENDING PORTION OF THE BUDGET — TO SEND A MESSAGE REGARDING THE IMPORTANCE — OF TRUTHFUL ACCOUNTING. WE HAVE REMOVED ITEMS DATING BACK TO THE 1980S LISTED FOR RE-APPROPRIATIONS — THAT OBTAIN THE REAL SIZE OF THE BUDGET.

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IN THIS SPEECH— YOU HAVE HEARD THE DETAILS— PERHAPS A FEW TOO MANY— ON THE CUTS AND CONSOLIDATIONS WE NEED TO MAKE— AND ON OUR EFFORTS TO DO MORE WITH LESS.

I WANT EVERY CITIZEN TO BE ABLE TO READ THIS BUDGET AND HAVE IT MAKE SENSE. I ALSO WANT THEM TO LIKE WHAT THEY SEE.

I DIDN'T RUN FOR GOVERNOR— TO MANAGE A STATE OF DECLINE. WE HAVE TO MOVE ILLINOIS FORWARD.

THAT'S WHY— THIS BUDGET— MAKES INVESTMENTS IN AREAS ESSENTIAL TO OUR FUTURE.

I PLEDGED THAT WE WOULD PROTECT— AND EVEN INCREASE— FUNDING FOR EDUCATION— HEALTH CARE AND PUBLIC SAFETY— EVEN IN THESE DIFFICULT TIMES.

THIS BUDGET DELIVERS ON THAT PROMISE.

OTHER GOVERNORS FACED WITH BUDGET DEFICITS— HAVE CHOSEN TO TEMPER THEIR AMBITIONS FOR PUBLIC EDUCATION.

I AM MOVING AHEAD WITH INNOVATIVE PROGRAMS THAT CAN'T WAIT. BECAUSE ONCE THE WINDOW OF OPPORTUNITY FOR LEARNING IN A CHILD'S LIFE CLOSES— IT CAN BE CLOSED FOREVER.

EDUCATIONAL PROGRAMS THAT HELP KIDS LEARN TO READ ARE AT THE HEART OF THIS ADMINISTRATION'S MISSION.

THAT IS WHY I AM INCREASING THE FUNDING AVAILABLE TO SCHOOLS— FROM \$4560 TO \$4,810 PER CHILD—

THAT'S \$250 MORE PER CHILD— THE LARGEST INCREASE SINCE 1999.

SCHOOLS CAN DO A LOT MORE WITH THESE EXTRA FUNDS— TO IMPROVE WHAT MATTERS MOST— TEACHING IN OUR CLASSROOMS.

EVEN IN THIS BUDGET CRISIS— BY INCREASING STATE FUNDING AND CONSOLIDATING SEVERAL DISCRETIONARY CATEGORICAL GRANTS— WE'RE TAKING \$235 MILLION OF INCREASED FUNDING OUT OF SPRINGFIELD AND SENDING IT TO LOCAL SCHOOLS— WHERE IT BELONGS.

FOR YEARS— STATE GOVERNMENT SHORTCHANGED OUR YOUNG PEOPLE. BY DIVERTING MONEY AWAY FROM EDUCATION— MISSING OUT ON OUR BEST INVESTMENT.

BUT THAT'S GOING TO CHANGE.

WE MUST NEVER FORGET THAT INCREASING EDUCATION SPENDING IS A PRIORITY.

THIS BUDGET WILL EXPAND ACCESS TO PRESCHOOL. I HAVE BUDGETED ALMOST \$30 MILLION OF NEW FUNDING SO THAT AN ADDITIONAL 8,230 AT-RISK CHILDREN CAN ATTEND.

THERE ARE CURRENTLY 25,000 CHILDREN AT RISK OF FALLING THROUGH THE CRACKS.

THEY SHOULD ALL HAVE THE OPPORTUNITY TO ATTEND PRESCHOOL.

HOW ARE WE GOING TO PAY FOR ALL OF THIS? BY SETTING THE RIGHT PRIORITIES.

WE WILL MOVE MORE MONEY INTO EDUCATION BY TAKING IT OUT OF THE BUREAUCRACY ACROSS STATE GOVERNMENT AND BY PUTTING IT INTO THE CLASSROOM.

WE ARE ALSO GOING TO MAKE THE EDUCATION SYSTEM MORE EFFECTIVE.

TOO MUCH BUREAUCRACY WEIGHS DOWN THE STATE'S EDUCATIONAL SYSTEM.

TAKE FOR EXAMPLE, THE REGIONAL OFFICES OF EDUCATION.

WHILE SOME OF THE PROGRAMS THEY OFFER MAY HAVE SOME BENEFIT, -- THIS EXTRA LAYER OF ADMINISTRATORS IS A LUXURY WE SIMPLY CANNOT AFFORD.

MY BUDGET WILL REDIRECT THE STATE'S \$202 MILLION DOLLAR SUBSIDY THAT HELPS PAY THE SALARIES OF ADMINISTRATORS AND PUT IT INTO THE CLASSROOMS.

KIDS DON'T NEED PROGRAMS. THEY NEED TEACHERS.

WE'VE ELIMINATED 24 GRANT PROGRAMS AND SERVICE LINES-- AND TRANSFERRED FOUR MORE PROGRAMS TO OTHER STATE AGENCIES.

AND WITH FEWER PROGRAMS TO RUN-- WE NEED LESS BUREAUCRACY AT THE STATE BOARD OF EDUCATION.

WE'VE CUT THEIR CENTRAL OFFICE \$9 MILLION AND PUT THAT IN THE CLASSROOM TOO.

ALL TOLD-- STREAMLINING THE EDUCATION BUREAUCRACY WILL PRODUCE \$210 MILLION IN FINANCIAL AND PROGRAMMATIC FLEXIBILITY AT THE LOCAL SCHOOL LEVEL.

ANOTHER \$567 MILLION WILL REMAIN IN INITIATIVES PROVEN TO PROVIDE CLEAR BENEFITS TO STUDENTS.

THESE INCLUDE PROGRAMS LIKE EARLY CHILDHOOD— READING, VOCATIONAL EDUCATION — AND TEST ASSESSMENTS.

WE CAN ALSO HELP LOCAL SCHOOL DISTRICTS SAVE MONEY BY ALLOWING THEM TO POOL THEIR HEALTH INSURANCE CONTRACTS AND REIGN IN THE EVER SPIRALING COSTS OF COVERING THEIR EMPLOYEES.

AND FINALLY -- LET ME SAY THIS ONCE AND FOR ALL -- WE WILL MAKE THE STATE'S 23RD AND 24TH PAYMENTS TO LOCAL SCHOOL DISTRICTS -- ON TIME.

WE ARE ALSO GOING TO HELP PARENTS PAY FOR THEIR CHILDREN'S COLLEGE EDUCATION — AND HELP REDUCE OUR BUDGET DEFICIT AT THE SAME TIME.

OUR PLAN FOR HIGHER EDUCATION IS THREE-FOLD. FIRST— WE WILL CUT BACK ON ADMINISTRATION. SECOND— WE WILL PROTECT FINANCIAL AID. AND THIRD— WE WILL STABILIZE TUITION COSTS.

IN TOTAL, HIGHER EDUCATION CUTS WILL PROVIDE OVER \$112 MILLION TOWARDS DEFICIT REDUCTION. WORKING WITH THE UNIVERSITIES, WE HAVE BEEN ABLE TO IDENTIFY SAVINGS THAT WILL NOT IMPACT WHAT HAPPENS INSIDE THE CLASSROOM.

PRIVATE COLLEGES AND UNIVERSITIES WILL ALSO CARRY THEIR FAIR SHARE OF THE BURDEN.

MY BUDGET CALLS FOR THE ELIMINATION OF FENROLLMENT-BASED SUBSIDIES FOR PRIVATE COLLEGES. THAT WILL SAVE THE STATE \$21 MILLION.

HOWEVER, WE WILL CONTINUE FUNDING HEALTH EDUCATION GRANTS AT PRIVATE COLLEGES IN THE AMOUNT OF \$17 MILLION. THAT INCLUDES INCENTIVES TO REACH OUT TO UNDERSERVED AREAS AND FOR MINORITY STUDENT SCHOLARSHIPS.

ADDITIONALLY, WE WILL FUND SCHOLARSHIPS AT MEDICAL SCHOOLS IN THE AMOUNT OF \$3 MILLION FOR STUDENTS WHO AGREE TO PRACTICE MEDICINE IN UNDERSERVED AREAS.

BUT LET ME TELL YOU WHAT I AM NOT GOING TO CUT IN THE HIGHER EDUCATION BUDGET— FINANCIAL AID.

FOR MOST PEOPLE— COLLEGE ONLY COMES AROUND ONCE. WE WILL NOT DENY NEEDY STUDENTS ACCESS TO HIGHER EDUCATION.

I WILL NOT REPEAT— THE LAST ADMINISTRATION'S MISTAKE— BY SLASHING FUNDING TO THE MONETARY AWARD PROGRAM.

MY BUDGET PROTECTS THEM AS GRANTS SO THAT ALL STUDENTS CAN STILL AFFORD TO GO TO ALL ILLINOIS UNIVERSITIES.

I'M MAINTAINING THAT PROGRAM AT \$336 MILLION.

ON TOP OF THAT, WE ARE ADDING \$41 MILLION DOLLARS TO THE NEW FUTURE TEACHERS PROGRAM.

HIGHER EDUCATION IS NOW THE BIGGEST INVESTMENT MANY FAMILIES EVER MAKE OUTSIDE OF BUYING A HOME.

WHEN A CHILD ENTERS COLLEGE— IT IS UNLIKELY THAT THE FAMILY BUDGET WILL INCREASE EACH YEAR UNTIL THEY GRADUATE.

AND YET WE EXPECT FAMILIES TO INCREASE OUTLAYS FOR TUITION— OVER THOSE FOUR YEARS.

LAST YEAR— TUITION COSTS AT OUR STATE UNIVERSITIES INCREASED BY 10.7%.

IN ADDITION TO THE \$112 MILLION WE RECEIVED FROM THE UNIVERSITIES FOR DEFICIT REDUCTION, AN ADDITIONAL \$58.9 MILLION WILL BE SET ASIDE TO HELP OFFSET TUITION INCREASES.

WE CAN USE THOSE FUNDS AND SOME OF OUR OWN TO TRULY HOLD THE LINE ON TUITION.

I BELIEVE THAT WE SHOULD BE ABLE TO LIMIT THE INCREASE FOR INCOMING FRESHMEN TO 5%. AND I ALSO BELIEVE THAT THE TUITION YOU PAY AS A FRESHMAN OUGHT TO BE THE TUITION YOU PAY AS A SENIOR.

IF WE DO THAT, WE CAN HELP MAKE COLLEGE AFFORDABLE FOR ILLINOIS FAMILIES.

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HEALTHCARE— IS ANOTHER AREA— WHERE I REFUSE TO MAKE SACRIFICES.

IT STARTS WITH KIDCARE. KIDCARE IS DESIGNED TO COVER CHILDREN, WHOSE PARENTS CAN'T AFFORD HEALTH CARE.

THIS BUDGET ADDS 20,000 CHILDREN TO THE KIDCARE PROGRAM. OUR PLAN INCREASES THE ELIGIBILITY TO 200% OF POVERTY --FROM THE CURRENT LEVEL OF 185%. THIS WILL COST THE STATE \$11 MILLION.

THIS BUDGET EXTENDS COVERAGE TO AN ADDITIONAL 65,000 PARENTS— THROUGH THE FAMILY CARE PROGRAM. THIS FIRST YEAR— WE'LL INCREASE THE BUDGET BY \$63 MILLION, OF WHICH \$401 WILL COME FROM THE FEDERAL GOVERNMENT.

IN ADDITION— THE CREATION OF A SPECIAL ADVOCATE TO NEGOTIATE WITH DRUG COMPANIES— ON BEHALF OF ALL STATE AGENCIES— WILL ALLOW US TO OFFER SENIORS PRESCRIPTION DRUGS— AT A DRASTICALLY REDUCED COST— AND SAVE THE STATE \$120 MILLION.



WE WILL ALSO GIVE MEDICAID RECIPIENTS EVERY INCENTIVE TO USE GENERIC DRUGS INSTEAD OF THE COSTLY BRAND NAME VERSIONS. THIS WILL SAVE THE MEDICAID PROGRAM \$49 MILLION.

AND WE WILL ASK THE FEDERAL GOVERNMENT FOR PERMISSION TO EXPAND OUR CIRCUIT BREAKER PRESCRIPTION DRUG COVERAGE PROGRAM TO INCLUDE ALL DRUGS.

WE CAN ALSO DO MORE WITH THE FUNDS WE ALREADY SPEND TO HELP SENIORS. FIRST—WE ARE INCREASING THE ELIGIBILITY FOR FULL COVERAGE—FROM INDIVIDUALS LIVING AT OR BELOW 200 PERCENT OF THE POVERTY LEVEL.

WE WILL REACH AN ADDITIONAL 50,000 PEOPLE BY INCREASING THE CUTOFF TO INDIVIDUALS LIVING AT OR BELOW 250 PERCENT OF THE POVERTY LEVEL.

THEN—BY SHIFTING THIS PROGRAM FROM THE DEPARTMENT OF REVENUE TO THE DEPARTMENT OF PUBLIC AID—WE WILL NOT ONLY SAVE THE STATE \$10 MILLION—BUT INCREASE THE PROGRAM'S REMAINING BUDGET FROM \$46 MILLION TO \$93 MILLION—THROUGH FEDERAL MATCHING GRANTS.

THAT'S TWICE THE AMOUNT OF MONEY—AND A WHOLE LOT OF RELIEVED RETIREES.

IT IS IMPORTANT TO REMEMBER—THAT HEALTHCARE IS ABOUT MORE THAN DOLLARS AND CENTS.

IT'S ALSO ABOUT HUMAN DIGNITY.

THAT'S WHY THIS BUDGET PROPOSES INCREASING SUPPORT FOR HOME HEALTH CARE PROGRAMS.

HOME HEALTH CARE ALLOWS PEOPLE WITH DISABILITIES—TO KEEP CONTROL OVER THE SERVICES THEY RECEIVE.

AND LIKE MANY GOOD IDEAS—IT IS ALSO—OFTEN THE MOST COST-EFFECTIVE CHOICE.

ALSO IN THE AREA OF HEALTH CARE—I WILL PUT ASIDE \$2 MILLION TO SUPPORT OUR LOCAL GOVERNMENTS IN THEIR EFFORTS TO COMBAT THE WEST NILE VIRUS.

LET'S NOT FORGET—THAT PUBLIC SAFETY IS THE FIRST DUTY OF GOVERNMENT.

THAT IS WHY WE ARE PUTTING \$6 MILLION INTO OPERATION SPOTLIGHT—AIMED AT TARGETING RE-OFFENDERS BY HIRING MORE PAROLE OFFICERS.

OUR BUDGET ALSO INCLUDES—THE REOPENING OF THE SHERIDAN PRISON—AS A NATIONAL MODEL DRUG TREATMENT CENTER—AT A COST OF \$24 MILLION.

AND IT INCLUDES A NEW CRACKDOWN — ON THE USE OF CLUB DRUGS — ALMOST EXCLUSIVELY FUNDED WITH DRUG-FORFEITURE ASSETS.

PUBLIC SAFETY ISN'T JUST ABOUT LAW ENFORCEMENT. WE ARE CREATING A \$10 MILLION REVOLVING LOAN PROGRAM — TO HELP COMMUNITIES PURCHASE NEW FIRE TRUCKS.

AND AT COST OF \$7 MILLION DOLLARS WE WILL ALSO PURCHASE NEW EQUIPMENT FOR FIRST RESPONDERS.

AND WE ARE CONTINUING OUR STRONG EFFORTS TO COMBAT TERRORISM WITH THE CREATION OF A STATE TERRORISM INTELLIGENCE CENTER IN SPRINGFIELD.

ILLINOIS HAS BEEN RANKED AS ONE OF THE THREE MOST PREPARED STATES IN THIS NATION WHEN IT COMES TO THE ISSUE OF HOMELAND SECURITY. WE SHOULD TAKE EVERY POSSIBLE STEP TO KEEP IT THAT WAY.

THIS IS A BUDGET THAT PUTS THE TAXPAYER'S MONEY WHERE IT BELONGS. INSTEAD OF FUNDING WASTE, PATRONAGE AND INEFFICIENCY, THIS BUDGET FUNDS EDUCATION, HEALTHCARE AND PUBLIC SAFETY.

IT FUNDS PROGRAMS THAT HELP PEOPLE.

EVEN WITH THESE INVESTMENTS, THIS IS THE FIRST TIME SINCE 1981 THAT STATE GOVERNMENT SPENDING HAS ACTUALLY DECREASED FROM ONE YEAR TO THE NEXT.

AND THIS BUDGET MAKES THE KIND OF STRUCTURAL CHANGES TO OUR AGENCIES AND OUR BUDGET THAT WILL TRULY ALLOW US TO RESTORE THIS STATE'S FISCAL HEALTH AND INTEGRITY FOR THE FIRST TIME IN OVER A DECADE.

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NOW, I'VE BEEN SPEAKING FOR A WHILE... BUT PLEASE BEAR WITH ME... THERE'S A LOT MORE GROUND TO COVER ---

AT LEAST ALL OF YOU GET TO SIT DOWN.

I'VE JUST DETAILED HOW WE CAN SHRINK THE BUDGET GAP, FROM THE SPENDING SIDE.

NOW I'M GOING TO DETAIL HOW WE CAN SHRINK THE GAP, FROM THE REVENUE SIDE.

HERE'S THE BLUEPRINT ON REVENUES.

LET'S START WITH THE SACRED COWS OF ILLINOIS GOVERNMENT, THE HUNDREDS OF EARMARKED FUNDS.

CURRENTLY, THERE ARE 597 EARMARKED FUNDS IN THIS STATE. FUNDS LIKE THE ILLINOIS TOURISM FUND, THE BEACH MARINA FUND, AND THE GRAPE AND WINE RESOURCE FUND.

AT A TIME WHEN THE STATE IS IN THE RED BY \$5 BILLION, THESE SPECIAL PURPOSE FUNDS ACTUALLY HAVE APPROXIMATELY \$3 BILLION IN SURPLUS.

THESE FUNDS ARE THE BEST-KEPT SECRET IN STATE GOVERNMENT. THEY ARE SPECIAL POOLS OF MONEY. THEY HAVE AUTHORITY TO RAISE REVENUE BY CHARGING FEES, BUT THEY ARE ALSO GUARANTEED MONEY FROM THE GENERAL REVENUE FUND.

THIS IS ONE STATE, ONE GOVERNMENT. BUT WE HAVE ESSENTIALLY TWO BUDGETS -- ONE SPECIAL INTEREST BUDGET -- THAT'S DOING GREAT --

AND ONE BUDGET FOR EVERYBODY ELSE, THAT'S BEYOND BROKE.

AS OUR SCHOOLS HAVE BEEN UNDERFUNDED, AS OUR FAMILIES HAVE GONE WITHOUT DECENT HEALTH CARE, THESE SPECIAL INTEREST FUNDS HAVE PROSPERED AND GROWN. NOW IT'S TIME THEY GIVE SOMETHING BACK.

CURRENTLY, THE SPECIAL INTERESTS THESE FUNDS SERVE CONTRIBUTE NOTHING --- NOTHING --- TO THE GENERAL REVENUE FUND FOR SERVICES PROVIDED BY THE STATE.

TAXPAYERS PAY FOR THEIR RENT, PAYROLL, PROCUREMENT ACCOUNTING, PURCHASING, AND REVENUE COLLECTION. THESE FUNCTIONS HAVE BEEN PAID FOR OUT OF THE GENERAL REVENUE FUND, BY THE PEOPLE, INSTEAD OF GOING TO THINGS THAT MATTER LIKE EDUCATION OR HEALTH CARE OR PUBLIC SAFETY.

WELL, WE'RE GOING TO CHANGE THAT.

THIS BUDGET PLACES, ON AVERAGE, A RECURRING 5% SERVICE CHARGE ON THESE FUNDS. THIS WILL GENERATE \$330 MILLION TO HELP BALANCE OUR BUDGET.

THE LOBBYISTS AREN'T GOING TO LIKE IT. BUT 5% FOR ADMINISTRATIVE COSTS IS NOT ONLY FAIR, IT'S A BARGAIN. THESE FUNDS WOULD PAY A LOT MORE IF THEY HAD TO OUTSOURCE THESE SERVICES.

ALSO, WE ARE GOING TO TAP INTO THE FUNDS' STASH OF MILLIONS OF DOLLARS THAT AREN'T TIED TO SPECIFIC USES OF ANY KIND.

WE ARE MOVING \$144 MILLION TO THE GENERAL REVENUE FUND FROM FUNDS CONTROLLED BY SPECIAL INTERESTS.

OUR STATE GOVERNMENT NEEDS TO REGAIN FINANCIAL CONTROL OVER THESE SPECIAL INTEREST FUNDS. WE NEED A REDUCTION IN THE NUMBER OF THESE FUNDS AND ULTIMATELY THEIR RESOURCES SHOULD BE PULLED IN TO THE GENERAL REVENUE FUND.

THIS IS EXACTLY WHAT SPECIAL INTERESTS DON'T WANT. THEY WANT THEIR DOLLARS LOCKED IN, HIDDEN APART FROM THE MAIN BUDGET, LIKE MONEY STASHED IN SWISS BANK ACCOUNTS.

BUT IF WE DON'T CHANGE THIS PRACTICE NOW, WHEN WILL WE HAVE THE CHANCE AGAIN? THE PUBLIC HAS CALLED FOR CHANGE.

NOW IS THE TIME. IN ADDITION, MANY OF OUR AGENCIES ARE SUPPORTED BOTH BY THE GENERAL REVENUE FUND, AND BY FEES.

IN MANY CASES, THE FEES SHOULD BE ABLE TO SUPPORT OUR AGENCIES, WITHOUT TAKING ADDITIONAL DOLLARS FROM THE TAXPAYER'S WALLET.

THE ENVIRONMENTAL PROTECTION AGENCY, THE DEPARTMENT OF NATURAL RESOURCES, AND THE DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY ARE ALL EXAMPLES OF AGENCIES THAT CHARGE FEES.

THEY SHOULD BE ABLE TO PAY FOR THEIR OPERATIONS FROM SPECIAL INTEREST FEES, RATHER THAN FROM TAXPAYER DOLLARS.

FOR EXAMPLE, THERE ARE MORE THAN ENOUGH CORPORATIONS WHO NEED POLLUTION PERMITS TO FUND THE EPA.

MANY ILLINOIS FEES ARE SIGNIFICANTLY BELOW THE NATIONAL AVERAGE AND MANY HAVE NOT BEEN ADDRESSED OR UPDATED IN DECADES.

BUT FROM NOW ON, POLLUTERS WILL PAY \$21 MILLION PER YEAR TO CLEAN UP THE HUNDREDS OF ILLINOIS LAKES AND DRIVERS THEY DIRTY WITH THEIR DUMPED GARBAGE AND INDUSTRIAL WASTE.

IN TOTAL, THESE FEE INCREASES WILL RAISE \$342 MILLION.

BUT, LET ME MAKE THIS CLEAR -- NONE OF THESE FEES WILL AFFECT THE AVERAGE CONSUMER.

WE WILL NOT RAISE TOLLWAY CHARGES.

WE WILL NOT RAISE UNIVERSITY FEES.

WE WILL NOT RAISE THE COST OF HUNTING OR FISHING LICENSES.

AND LET ME REPEAT A PROMISE YOU'VE HEARD ME MAKE BEFORE. I SAID IT ONCE. I'LL SAY IT AGAIN. WE WILL NOT RAISE THE FOOD CARD. NOT ONE DIME. NOT ONE NICKEL. NOT ONE PENNY.

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BUT, IN LIGHT OF A \$5 BILLION DEFICIT WE ARE UPDATING NON-CONSUMER FEES.

FOR EXAMPLE, IN THE SECRETARY OF STATE'S OFFICE ALONE WE CAN GENERATE \$108 MILLION THAT WILL NOT IMPACT CUSTOMERS.

WE NEED TO USE FEES MORE EFFECTIVELY AND MORE FAIRLY.

WHY ARE WE ONE OF ONLY SIX STATES THAT USE THE GENERAL REVENUE FUND TO PAY FOR THE COST OF HEARING WORKERS COMPENSATION CASES?

BY SIMPLY BRINGING ILLINOIS IN LINE WITH COMMON SENSE APPROACHES USED BY 44 OTHER STATES, WE CAN GENERATE \$27 MILLION.

WE WILL DO THIS BY REQUIRING EMPLOYERS WHO LOSE IN WORKERS' COMPENSATION CASES TO COVER COURT COSTS CURRENTLY PAID FOR BY THE STATE.

WE SHOULD ALSO INCREASE THE STATE LIQUOR LICENSE FEE INCREASING REVENUES ANNUALLY BY \$7 MILLION.

RIGHT NOW, A LIQUOR LICENSE HERE COSTS FAR LESS THAN IT DOES IN NEIGHBORING STATES.

THAT'S A LUXURY WE CAN NO LONGER AFFORD.

WE SHOULD ALSO REQUIRE LIQUOR DISTRIBUTORS TO PREPAY THE SALES TAX THAT WILL BE DUE WHEN THE PRODUCT IS SOLD AT RETAIL.

THIS WILL INCREASE LIQUOR TAX COMPLIANCE, INCREASING REVENUES THIS YEAR BY AN ADDITIONAL \$32 MILLION, WITHOUT COSTING DISTRIBUTORS ANY MORE THAN THEY ARE CURRENTLY REQUIRED TO PAY.

AS PART OF OUR EFFORT TO INCREASE HONESTY AND TRANSPARENCY IN THE TAX SYSTEM, WE SHOULD GIVE TAX SCOFFLAW A CHANCE TO COME CLEAN.

TAX AMNESTY WILL ALLOW THE STATE TO CAPTURE \$40 MILLION IN NEW REVENUE

BUT DON'T THINK WE'RE GOING EASY ON PEOPLE WHO SKIRT THEIR RESPONSIBILITIES AS CITIZENS.

IT'S NOT RIGHT WHEN THE STATE PAYS TO COLLECT MONEY FROM PEOPLE WHO REFUSE TO SQUARE THEIR DEBTS WITH SOCIETY.

THIS BUDGET IMPOSES A FEE OF UP TO 25% ON PAST DUE ACCOUNTS TO FORCE SCOFFLAW S TO PAY THOSE COSTS.

GOING FORWARD, IF WE HAVE TO SEND A COLLECTION AGENCY AFTER SCOFFLAW S, THEY'RE PAYING THE COST ..... NOT THE TAXPAYERS

THE PAYBACK FOR RIGHTING THIS SMALL INJUSTICE, \$24 MILLION.

WE SHOULD ALSO INCREASE THE TICKET PRICE TO BOARD ONE OF ILLINOIS' NINE RIVER BOAT CASINOS BY \$2.00 PER PERSON. THIS WILL PUT US ON PAR WITH MOST OTHER STATES AND WILL GENERATE \$38 MILLION IN NEW REVENUE

ON THE SUBJECT OF GAMING, THIS BUDGET DOES NOT PROPOSE THE EXPANSION OF GAMBLING IN ILLINOIS.

THAT, HOWEVER, DOES NOT MEAN WE WILL NOT REALIZE THE REVENUES GENERATED BY THE SALE OF THE 10TH GAMING LICENSE— A LICENSE CREATED BY THE LEGISLATURE 13 YEARS AGO.

THE 10TH LICENSE HAS BEEN DORMANT FOR OVER 5 YEARS, ITS FATE IN THE HANDS OF DEBTORS AND CREDITORS, LAWYERS AND BANKERS.

WHILE THEY ARGUE AND CONTINUE TO COLLECT THEIR FEES, THE PEOPLE OF THIS STATE HAVE LOST HUNDREDS OF MILLIONS OF DOLLARS IN REVENUES.

WORKING WITH THE GAMING BOARD AND WORKING WITH ATTORNEY GENERAL LISA MADIGAN, THE PROCESS IS STARTING TO MOVE AGAIN.

THIS TENTH LICENSE WILL GENERATE MORE THAN \$350 MILLION DOLLARS

IT IS TIME THE TAXPAYERS FINALLY BENEFIT FROM THAT \$350 MILLION DOLLARS.

AND IN FUTURE YEARS, THIS TENTH LICENSE, WILL GENERATE OVER \$100 MILLION DOLLARS EVERY YEAR -- MONEY WE CAN USE TO INVEST IN SCHOOLS, BETTER HEALTHCARE, AND PUBLIC SAFETY.

AS FOR THE NINE EXISTING CASINOS— UP, RUNNING, AND GOING STRONG ---

LAST YEAR THEIR TOTAL REVENUES EXCEEDED \$2 BILLION.

IT'S TIME FOR THEM TO ANTE-UP. WE ARE GOING TO ADJUST THE EXISTING RATE SCHEDULES FOR CASINOS TO PROVIDE \$115 MILLION IN NEW REVENUES.

AND CASINOS MAKING EXORBITANT AMOUNTS OF MONEY CAN HELP EVEN MORE CASINOS WITH ADJUSTED GROSS REVENUES OF \$250 MILLION OR MORE WILL BE REQUIRED TO PAY A 20% WIN FALL SURCHARGE. THIS WILL PROVIDE AN ADDITIONAL \$48 MILLION TO THE TAXPAYERS -- THE VERY PEOPLE WHO GAVE THE CASINOS THE PRIVILEGE TO OPERATE IN THIS STATE.

AND THERE'S A LOT MORE THAT THIS BUDGET SETS RIGHT.

OUR BUDGET ALSO PROPOSES RAISING UNIVERSITY OUT-OF-STATE TUITION TO THE SAME LEVEL OF OUR NEIGHBORING STATES.

FOR EXAMPLE, UNIVERSITY OF WISCONSIN STUDENTS FROM OUT OF STATE PAY \$14,000 PER YEAR MORE THAN IN-STATE STUDENTS.

BY CONTRAST -- OUT-OF-STATE STUDENTS WHO ATTEND THE UNIVERSITY OF ILLINOIS PAY ONLY \$8,640 MORE THAN IN-STATE STUDENTS.

THE UNIVERSITY OF ILLINOIS IS VIEWED AS ONE OF THE BEST VALUES IN THE COUNTRY, FOR THE CITIZENS OF ILLINOIS WHO INVEST IN IT NOT ONLY WITH TUITION DOLLARS BUT ALSO WITH THEIR TAX DOLLARS, IT WILL REMAIN SO.

BUT, BY ENDING THE SUBSIDY TO OUT-OF-STATE STUDENTS, WE WILL GENERATE \$20 MILLION.

AND FINALLY, FAIRNESS MEANS CLOSING THE CORPORATE LOOPHOLES THAT ALLOW CORPORATIONS TO SKIRT THEIR OBLIGATIONS TO THE STATE WHILE REGULAR, HARDWORKING PEOPLE DIG DEEP INTO THEIR POCKETS, WEEK IN WEEK OUT.

MOST CORPORATE LOOPHOLES HAVE BEEN ON THE BOOKS FOR DECADES BUT WHAT MADE SENSE IN 1955 DOES NOT NECESSARILY MAKE SENSE TODAY.

SOME BUSINESS INCENTIVES -- NECESSARY THEN, AREN'T NECESSARY NOW.

EVEN RECENT CORPORATE SALES TAX EXEMPTIONS CAN QUICKLY BECOME OBSOLETE.

IN THE EARLY 80S THE GOVERNMENT HELPED THE GRAPHIC ARTS INDUSTRY GET OFF THE GROUND WITH A TAX EXEMPTION ON EQUIPMENT.

THE PERSONAL COMPUTER WAS JUST MAKING ITS ENTRANCE INTO THE BUSINESS WORLD.

PRINTING WAS STILL VERY EXPENSIVE. AND GRAPHIC ARTISTS WEREN'T WELL PAID.

TAX INCENTIVES HELPED JUMPSTART WHAT IS NOW A FLOURISHING TRADE EMPLOYING HUNDREDS OF THOUSANDS WITH ARTISTIC TALENT IN HIGH-PAYING JOBS. THIS IS TRULY AN ACCOMPLISHMENT.

BUT TIMES HAVE CHANGED. TODAY THE SITUATION HAS REVERSED. THE EQUIPMENT GRAPHIC ARTISTS USE NOW IS RELATIVELY INEXPENSIVE.

BY ELIMINATING THIS LOOPHOLE-- WE CAN FREE UP \$3.6 MILLION PER YEAR WHICH COULD BE PUT TO BETTER USE SOMEWHERE ELSE.

OTHER LOOPHOLES INCLUDE THE ROLLING STOCK EXEMPTION, THE MANUFACTURER'S PURCHASE CREDIT, THE INTERIM USE OF PERSONAL PROPERTY PRIOR TO SALE EXEMPTION, THE COAL, OIL AND DISTILLATION EQUIPMENT EXEMPTION, AND THE REPLACEMENT VEHICLES EXEMPTION.

ALL TOGETHER CLOSING THESE LOOPHOLES WILL SAVE THE STATE \$127 MILLION.

IN ADDITION WE ARE TARGETTING OTHER LOOPHOLES. LET ME GIVE YOU A LIST.

THE RESEARCH AND DEVELOPMENT CREDIT;

THE TRAINING EXPENSE CREDIT;

LIFE HEALTH INSURANCE GUARANTEE ASSOCIATION TAX OFFSET;

THE FOREIGN INSURER RATE REDUCTION;

THE REPLACEMENT RATE REDUCTION;

AND THE STANDARD EXEMPTION.

CLOSING THESE LOOPHOLES, SOMETHING THAT SHOULD HAVE BEEN DONE A LONG TIME AGO, IS WORTH \$65 MILLION TO THE STATE.

WE ARE ALSO GOING TO ADJUST THE NET OPERATING LOSS DEDUCTION.

CURRENTLY, BUSINESSES ARE ALLOWED TO ADJUST THEIR TAXES RETROACTIVELY, BASED ON CURRENT LOSSES --- AND GET BACK TAXES THEY PAID DURING THE GOOD YEARS.

WE ARE ONE OF 27 STATES THAT ALLOW THIS LOOPHOLE.

AND OURS IS MORE GENEROUS THAN MOST.



OTHER STATES LIMIT THIS PRACTICE TO TWO YEARS. THIS BUDGET PROPOSES THAT WE ADOPT THE FEDERAL STANDARD. IT WILL SAVE US \$20 MILLION AND MUCH MORE IN THE YEARS TO COME.

THE NATURAL GAS TAX IS ANOTHER POORLY FORMULATED TAX LAW. OUR LAWS PLACE ILLINOIS NATURAL GAS AT A COMPETITIVE DISADVANTAGE WITH NATURAL GAS PRODUCED IN OTHER STATES.

WE TAX NATURAL GAS PRODUCED IN ILLINOIS. NATURAL GAS PURCHASED OUT OF STATE IS NOT.

THIS LAW ENCOURAGES BUSINESSES IN ILLINOIS TO BUY THEIR NATURAL GAS FROM OUT OF STATE COMPANIES. CLOSING THIS LOOPHOLE WILL SAVE US \$70 MILLION AND HELP US PUT THE ILLINOIS NATURAL GAS INDUSTRY ON A MORE LEVEL PLAYING FIELD.

DID YOU KNOW THAT WE ARE THE ONLY STATE AMONG OUR NEIGHBORS THAT ALLOWS PEOPLE TO BUY AND SELL SMALL PRIVATE PLANES AND NOT PAY TAXES?

SOMETIMES A PLANE IS BOUGHT PURELY AS A TAX SHELTER.

I SAY, LET'S PUT A STOP TO THESE SHENANIGANS AND SAVE THE STATE OF ILLINOIS \$26 MILLION.

ILLINOIS CURRENTLY HAS AN ESTATE TAX. IT APPLIES PRIMARILY TO THE 158 LARGEST ESTATES IN ILLINOIS. THAT MEANS THAT .008% OF ILLINOIS FAMILIES ARE SUBJECT TO THE ESTATE TAX.

THIS BUDGET DOES NOT PROPOSE INCREASING IT.

WHAT WE DO PROPOSE, HOWEVER, IS DECOUPLING THIS STATE TAX FROM THE FEDERAL TAX.

DOING THIS WILL GENERATE \$35 MILLION IN FISCAL YEAR 2004.

ELEVEN OTHER STATES HAVE ALREADY CLOSED THIS LOOPHOLE.

WE SHOULD ALSO REQUIRE THE PREPAYMENT OF CIGARETTE TAXES TO IMPROVE COMPLIANCE. THIS WOULD SAVE THE STATE \$50 MILLION DOLLARS.

CLOSING THESE LOOPHOLES IS FAR BETTER THAN RAISING TAXES ON WORKING MEN AND WOMEN.

I KNOW EACH ONE OF THESE LOOPHOLES HAS ITS OWN TEAM OF LOBBYISTS.

THEY WILL DO EVERYTHING IN THEIR POWER TO PERSUADE YOU NOT TO ACT. THEY WILL TELL YOU THAT IT WILL DRIVE BUSINESS AWAY. DON'T BELIEVE THEM.

NONE OF THESE TAX LOOPHOLES ARE WHAT KEEP BUSINESS IN ILLINOIS.

WHAT KEEPS BUSINESS IN ILLINOIS IS THE QUALITY OF OUR WORKFORCE, WHICH THIS BUDGET INVESTS IN.

WHAT KEEPS BUSINESS IN ILLINOIS IS OUR SAFE COMMUNITIES, WHICH THIS BUDGET INVESTS IN.

WHAT KEEPS BUSINESS IN ILLINOIS, IS OUR HOSPITALS AND HEALTH CARE FACILITIES, WHICH THIS BUDGET INVESTS IN.

WHAT KEEPS BUSINESS IN ILLINOIS IS OUR EDUCATIONAL SYSTEM, WHICH THIS BUDGET INVESTS IN.

AND WHAT KEEPS BUSINESS IN ILLINOIS IS OUR LOW INCOME AND SALES TAXES, WHICH THIS BUDGET PROTECTS.

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THIS BUDGET, DOES HOWEVER, PRESERVE A WIDE ARRAY OF TAX EXEMPTIONS FOR BUSINESS. EVEN THOUGH WE ARE FACED WITH THE WORST FISCAL CRISIS IN THIS STATE'S HISTORY, WE ARE ONLY CLOSING LOOPHOLES THAT NO LONGER MEET THE NEEDS OF A 21ST CENTURY ECONOMY. THAT'S WHY WE ARE PRESERVING EXEMPTIONS LIKE THE EDGE TAX CREDIT -- WHICH HELPS ATTRACT BUSINESS AND JOBS TO ILLINOIS.

TAX EXEMPTIONS AREN'T GRANTED BY RIGHT. THEY SHOULD BE GRANTED BY REASON. THIS BUDGET, FOR THE FIRST TIME IN DECADES, STARTS TO MAKE SENSE OF THE TAX CODE, AND MAKES SURE THE TAXPAYERS GET THEMOST FOR THEIR MONEY.

ONE TAX CREDIT THAT DOES HELP WORKING FAMILIES IS THE EARNED INCOME TAX CREDIT. IT BELONGS ON THE BOOKS AND IT WILL STAY IN MY BUDGET.

TO DAY, I HAVE DETAILED TOUGH SPENDING CUTS, NEW SPENDING PRIORITIES AND CLOSED LOOPHOLES OUR STATE CAN NO LONGER AFFORD.

BUT I'M NOT DONE QUITE YET.

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MORE REFORM IS NEEDED TO INSURE THAT HERE IN ILLINOIS WE USE OUR ASSETS WISELY.

THERE'S BEEN A LOT OF DISCUSSION ABOUT THE PENSION FUND REFINANCING.

THE LONG AND THE SHORT OF IT, IS THAT WE ARE REFINANCING SOME OF OUR \$35 BILLION DEBT TO TAKE ADVANTAGE OF LOW INTEREST RATES.

THE EMPLOYEES OF THE GOVERNMENT OF ILLINOIS HAVE FIVE PENSION FUNDS.

PREVIOUS ADMINISTRATIONS UNDERPAID THESE PENSIONS FOR MORE THAN TWO DECADES AND USED THAT MONEY FOR OTHER SPENDING, CHOOSING TO PASS ALONG THE BURDEN OF MAKING UP THE DIFFERENCE.

THE REFINANCING OF OUR PENSION BONDS MEANS CONVERTING \$10 BILLION OF AN EXISTING \$35 BILLION DEBT INTO BONDS, WHICH WE CAN LOCK IN TO AT TODAY'S MUCH LOWER INTEREST RATES.

I THINK SOME OF YOU MAY HAVE ALREADY HEARD ABOUT THIS.

I'D LIKE TO THANK THE LEGISLATURE FOR PASSING THIS PROPOSAL. AS YOU KNOW, YOU JUST SAVED THE STATE \$1.9 BILLION.

BUT USING OUR ASSETS MORE WISELY ISN'T EASY, WHICH IS PROBABLY WHY PREVIOUS ADMINISTRATIONS HAVEN'T BOTHERED, EVEN THOUGH THAT HAS COLLECTIVELY COST THE TAXPAYERS BILLIONS OF DOLLARS.

UNFORTUNATELY, NOT ALL OF OUR DEBT IS GOOD DEBT. WE DO HAVE A BACKLOG OF UNPAID TAX REFUNDS OF ALMOST \$800 MILLION.

RIGHT NOW WE OWE \$79.5 MILLION DOLLARS IN INTEREST ON UNPAID TAX REFUNDS TO CORPORATIONS. EVERY WEEK, WE ARE ACCRUING \$565,000 IN INTEREST.

WE SHOULD REDUCE THAT RATE TO A MORE REALISTIC LEVEL OF 3%.

THAT MEANS IF CORPORATIONS OWE US MONEY, THEY PAY 3%. AND IF WE OWE THEM MONEY, WE PAY 3%.

THAT WOULD SAVE THE STATE \$11 MILLION DOLLARS.

WE CAN ALSO USE OUR ASSETS TO GENERATE NEW MONEY THROUGH MEANS OTHER THAN REWORKING DEBT.

THERE'S AN OLD SAYING: WHEN TIMES ARE HARD, YOU DRINK BEER, NOT CHAMPAGNE.

THE TOLLWAY BUILDING HAS BEEN DESCRIBED AS THE TAJ MAHAL OF ILLINOIS. THE TAJ MAHAL IS KNOWN AS ONE OF THE EIGHT WONDERS OF THE WORLD. THE TOLLWAY BUILDING IS A WONDER OF WASTE, EXCESS, AND ARROGANCE.

TO DAY I'M GIVING IT A NEW LABEL: FOR SALE. THE SALE OF THE TOLLWAY BUILDING WILL GENERATE \$30 MILLION.

AND THAT IS NOT THE ONLY PROPERTY WE WILL SELL. ALSO ON THE AUCTION BLOCK AS OF TODAY IS PROPERTY AT THE ELGIN MENTAL HEALTH CAMPUS THAT WE ANTICIPATE WILL GO FOR \$3 MILLION.

RECOGNIZING THE CHALLENGING BUDGET PICTURE, WE CAN ALSO TAKE BETTER ADVANTAGE OF OUR ASSETS THROUGH THE SALE AND LEASEBACK OF SOME STATE FACILITIES, LIKE THE THOMPSON CENTER.

THIS WOULD GENERATE AN ADDITIONAL \$200 MILLION.

BY THE WAY, WE DON'T NEED PRIME REAL ESTATE IN DOWNTOWN CHICAGO. IF ANYONE WANTS TO PURCHASE THE BUILDING OUTRIGHT, WE'D BE MORE THAN HAPPY TO MOVE SOMEWHERE ELSE.

I'VE SPENT MORE THAN AN HOUR TELLING YOU WHAT WE ARE GOING TO DO. NOW LET ME SPEND A FEW MINUTES TELLING YOU WHAT WE ARE NOT GOING TO DO:

WE ARE NOT RAISING THE INCOME TAX.

WE ARE NOT RAISING THE SALES TAX.

WE ARE NOT RAISING CONSUMER FEES.

WE ARE NOT CUTTING EDUCATION, HEALTH CARE OR PUBLIC SAFETY.

WE ARE NOT GOING TO CONTINUE THE RAMPANT, UNEXAMINED OVER-SPENDING THAT HAS MARKED THE LAST DECADE.

IN FACT, WE ARE INVESTING TO MAKE OUR SCHOOLS BETTER, OUR COMMUNITIES HEALTHIER, AND OUR STREETS SAFER.

WE COULD HAVE USED THIS CRISIS AS AN EXCUSE TO TAKE THE EASY WAY OUT, AND RESORT TO THE TIRED OLD APPROACHES OF RAISING TAXES AND SLASHING SPENDING.

WE DIDN'T DO THAT.

WE PROTECTED AVERAGE PEOPLE. WE LEARNED HOW TO DO MORE WITH LESS.

THIS BUDGET REQUIRES A GREAT DEAL OF SACRIFICE. BUT THE CUTS WE PROPOSE AND THE REVENUE WE CAN GENERATE ARE REASONABLE, WISE AND PRUDENT.

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THERE IS SOMETHING IN THIS BUDGET EACH OF YOU PROBABLY WON'T LIKE

THAT'S WHAT HAPPENS WHEN YOU FACE A \$5 BILLION DEFICIT.

BUT KEEP IN MIND, THE CONSTITUTION REQUIRES US TO BALANCE THE BUDGET. SO WHEN YOU SAY "DON'T CUT THIS" OR "SPEND MORE ON THAT," DON'T FORGET THAT EVERY DOLLAR YOU TAKE AWAY IS A DOLLAR WE HAVE TO TAKE FROM SOMEWHERE ELSE.

IN OTHER WORDS, WE'RE ALL GOING TO HAVE TO ACCEPT SOME CUTS AND SOME CHANGES WE DON'T REALLY LIKE.

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NOW, I KNOW THIS HAS BEEN A LONG ADDRESS.

MARK TWAIN ONCE SAID, "IF I HAD MORE TIME, I WOULD HAVE WRITTEN A SHORTER STORY." THE SAME HOLD TRUE WITH SPEECHES. WELL, I'M NO MARK TWAIN.

AND EVEN WITH THE EXTRA TIME YOU GRANTED US TO PREPARE THIS BUDGET, SOLVING THE WORST FISCAL CRISIS IN OUR HISTORY TAKES SOME TIME TO ACHIEVE, AND SOME TIME TO EXPLAIN.

I ALSO FELT IT WAS IMPORTANT TO SPELL OUT HOW -- BY WORKING TOGETHER -- AND BY PUTTING PARTISANSHIP ASIDE -- WE CAN SOLVE THIS FISCAL CRISIS.

AND HOW WE CAN MAKE ILLINOIS A BETTER PLACE TO LIVE.

OUR STATE FACES THE LARGEST DEFICIT IN OUR HISTORY. THIS BUDGET BLUEPRINT ELIMINATES IT.

OUR STATE IS WEIGHED DOWN BY GOVERNMENT WASTE. THIS BUDGET BLUEPRINT ELIMINATES THAT TOO.

OUR STATE HAS BEEN PLAGUED BY POOR ACCOUNTING AND WEAK FINANCIAL MANAGEMENT. THIS BUDGET BLUEPRINT REQUIRES AGENCIES, FROM THE VERY FIRST DAY OF THE YEAR, TO ESTABLISH A 2% RESERVE TO PREPARE FOR THE UNCERTAINTIES OF REVENUE AND OF THE REAL WORLD.

THE REMAINING 98% WILL GO THROUGH A QUARTERLY ALLOTMENT SYSTEM, SO WE DON'T JUST MANAGE ANNUALLY, BUT DAY IN, AND DAY OUT.

IN OTHER WORDS, FOR THE FIRST TIME IN A LONG TIME, SOMEONE IS GOING TO BE MINDING THE STORE.

I'M EVEN RENAMING THE BUREAU OF THE BUDGET -- THE GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET -- SO WE CAN PREPARE OUR BUDGETS WITH AN EYE

TOWARDS BETTER MANAGEMENT, LONG-TERM PLANNING, AND DOING MORE WITH LESS. SPENDING MONEY WISELY REQUIRES DISCIPLINE. WE'RE GOING TO PROVIDE THAT DISCIPLINE.

THIS BUDGET PROTECTS OUR INVESTMENTS IN EDUCATION, IN HEALTH CARE, AND IN PUBLIC SAFETY.

IT BALANCES THE BUDGET WITHOUT RAISING THE INCOME TAX, THE SALES TAX, OR CONSUMER FEES.

IT LEAVES MONEY FOR OUR RAINY DAY FUND. DESPITE FACING A \$5 BILLION BUDGET DEFICIT, WE WERE ABLE TO BALANCE THIS BUDGET AND SET ASIDE \$500 MILLION DOLLARS AND PLACE IT IN A RAINY DAY FUND. AND THAT'S JUST A DOWN PAYMENT ON A LONG-TERM INVESTMENT IN THE FUTURE OF THIS STATE.

THIS BUDGET IS AN OPPORTUNITY. IF WE SEIZE THE OPPORTUNITY, IF WE PUT ASIDE PARTISAN DIFFERENCES, IF WE WORK NOT FOR THE FEW, BUT FOR THE COMMON GOOD, WE CAN OVERCOME THIS FISCAL CRISIS AND START MOVING OUR STATE FORWARD.

PERHAPSEVEN MORE IMPORTANTLY, BY WORKING TOGETHER TO BALANCE THIS BUDGET IN A FAIR, HONEST WAY, WE CAN GIVE THE PEOPLE THE KIND OF GOVERNMENT THEY CAN START BELIEVING IN AGAIN.

THIS IS A UNIQUE TIME.

A TIME OF WAR. A TIME OF RECESSION. A TIME OF FISCAL CRISIS. A TIME WHEN WE ARE STILL REELING FROM YEARS OF A CULTURE THAT EMBRACED CYNICISM AND ABANDONED IDEALISM. YET IT IS ALSO A TIME OF GREAT OPPORTUNITY.

WE ARE DEMOCRATS. WE ARE REPUBLICANS. WE ARE FATHERS AND MOTHERS, SONS AND DAUGHTERS. WE BRING DIFFERENT EXPERIENCES TO THE JOB OF LEGISLATING AND GOVERNING. BUT AS DIFFERENT AS WE ARE, WE SHARE A COMMON MISSION. WE ARE HERE TO PURSUE THE PUBLIC GOOD.

AT THIS TIME IN OUR HISTORY, THIS PURSUIT REQUIRES THE COURAGE TO CHANGE.

IT IS EASY TO CRITICIZE. IT IS HARDER TO LEAD.

IT IS EASY TO QUESTION. IT IS HARDER TO FIND ANSWERS.

IT IS EASY TO TEAR DOWN. IT IS HARDER TO BUILD.

THE PEOPLE OF THIS GREAT STATE ASK US TO WORK AS HARD AT OUR JOBS AS THEY DO AT THEIRS. IT IS TIME TO LEAD.

THE BUDGET I HAVE DETAILED FOR YOU TODAY IS MADE OF NUMBERS, FACTS AND FIGURES. BUT LET US NEVER FORGET, IT IS ALL AT THE SERVICE OF PEOPLE.

EVERY DECISION WE MAKE ON THIS BUDGET AFFECTS THEIR WALLETS, THEIR HEALTH, THEIR SAFETY, AND THEIR CHILDREN'S FUTURES.

IT IS OUR JOB TO PROTECT THEM. IT IS OUR JOB TO PASS A BUDGET THAT DOESN'T JUST KEEP THEM IN MIND, BUT HELPS THEM GET AHEAD.

BECAUSE WHEN THE GOOD OF THE PEOPLE AND NOTHING ELSE, DRIVES OUR DECISIONS AND DICTATES OUR ACTIONS, THE ONLY THING WE CAN ACHIEVE IS A BETTER ILLINOIS.

AT THIS TIME, AT THIS PLACE AND AT THIS HOUR, LET US EMBRACE CHANGE FROM EVERY CORNER OF ILLINOIS, WE COME TO THIS GREAT CHAMBER. LET US NOW WORK TOGETHER TO BUILD AN ILLINOIS AS GOOD AND AS HONEST AS THE PEOPLE WHO LIVE IN IT.

THANK YOU. GOD BLESS YOU.